

Performance and risk statistics¹

	Fund	Benchmark	Outperformance
1 year	25.9%	24.4%	1.5%
2 years	24.8%	22.9%	2.0%
3 years	11.3%	7.6%	3.8%
Since inception	14.6%	11.9%	2.7%

All performances annualised

	Fund	Benchmark
Annualised monthly volatility	16.9%	17.5%
Annualised monthly tracking error	3.5%	n/a
Information ratio*	0.8	n/a
Sharpe ratio	0.3	n/a
Maximum gain [#]	11.9%	10.9%
Maximum drawdown [#]	-36.0%	-37.0%
% Positive months	63.8%	63.8%
Beta vs benchmark	0.9	1.0

* Information ratio = $\frac{\text{outperformance}}{\text{tracking error}}$ # Maximum % increase/decline over any period

Cumulative performance since inception

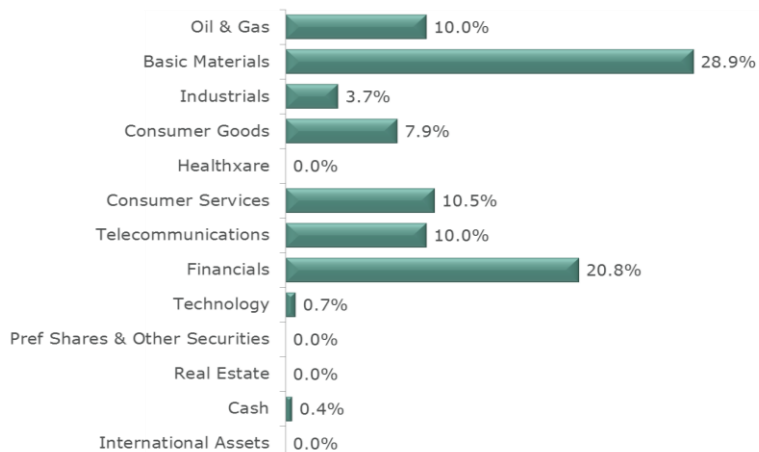


Portfolio manager	Gavin Wood
Fund mandate	South African equities - unconstrained
Fund objective	To significantly outperform its benchmark over time. The fund aims to be fully invested in South African equities on a consistent basis, and actively positioned in the best ideas from the Kagiso bottom-up research process.
Vehicle	Pooled
Benchmark	FTSE/JSE SWIX Index (J403)
Launch date	1 September 2006
Fund size	R9.7 billion
Minimum	No minimum
Commentary	

The second quarter of 2011 exhibited further volatility as global economic data releases showed a slowing in the world economy, particularly in the overly-indebted USA and Europe, but also in China. Western governments continue to grapple with their financial positions, with the European periphery and the US, making the headlines in this regard. Consumer confidence in the US has weakened as the jobs and housing markets remain very weak. Inflation concerns are heightened by the rise in commodity prices and, consequently, monetary policy has been tightening further in a number of economies. This is very much in line with our long held bearish view on the world economy post the financial crisis. Equity markets had a flattish quarter and, on average, emerging markets underperformed developed markets slightly. Commodity prices were very volatile but mostly weaker over the quarter; the rand was firm against developed market currencies. The fund remains appropriately positioned in our best stock selections, based on our team's proven bottom-up stock-picking process.

Unconventional thinking. Superior performance

Sectoral exposure



Top ten holdings

	% of fund
Sasol	10.0
MTN	9.9
Firststrand/RMB	6.9
Mondi	6.6
Tongaat Hulett	5.9
Naspers	5.7
Standard Bank	5.1
Impala Platinum	3.7
African Rainbow Minerals	3.5
AECI	3.4
Total	60.8

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¹ Fund returns are sourced from Kagiso Asset Management, and benchmark returns from I-Net. Fund performance figures are gross of management fees, net of all applicable withholding and gross of SA Capital Gains Tax. Calculation is based on a lump sum investment, with income re-invested.